

Date: 21st April 2017

Statement in Support of Objections by HHGL Ltd – ID Reference: 16017409//1

Objections to the Draft North Somerset Site Allocations Plan (SAP) (October 2016) were submitted online by this Practice on behalf of Bunnings-Homebase UK & Ireland on the 5th December 2016. The UK operations of Bunnings (part of Wesfarmers Ltd) has now been renamed HHGL Ltd. This Statement expands on the representations submitted in response to ‘Matter 3 – Employment’ in the Hearings Programme

1. Summary of Objections

HHGL’s objections concluded that:

“In summary, the level of detail, justification and evidence that you would expect to see supporting a ‘New Allocation’ in a plan of this nature is completely absent. Nothing within the Draft Plan provides my clients with any clear indication as to the Council’s proposals for this site and specifically the implications for its Homebase store - which forms an important part of the comparison offer of Portishead and is a significant local employer. As such, the proposed allocation and the corresponding policies, when considered against the advice in paragraphs 150 – 182 (inclusive) of the NPPF is clearly unsound.”

The policies referred to in our objections were Policy SA1 and SA3 and the ‘Old Mill Road Site’ included in Schedule 1 to the Draft SAP.

2. Homebase-Bunnings in Portishead

As we confirmed in our original objections (dated the 5th December 2016), in February 2016 Bunnings purchased the whole of the Homebase store portfolio.

Bunnings is the leading retailer of home improvement and outdoor living products in Australia and New Zealand. It acquired Homebase as a platform to build a Bunnings branded business within the UK & Ireland – the first of these stores have recently opened in St Albans on Griffiths Way and Hatfield Road.

Bunnings acquired Homebase for £340Million. A further £500Million has been allocated to the UK & Ireland brand launch over the next 3 – 5 years. This investment will result in the creation of a large number of new jobs, with, for example, 75 new full & part-time opportunities created at St Albans.

Bunnings has also made a commitment to its existing team, introducing the National Living Wage for all team members aged 18+, and saved over 200 jobs by reversing the store closure decisions made under the previous ownership.

Bunnings has a strong reputation for being the most trusted brand in Australia, winning the Reader’s Digest Award 11 years in a row, in part due to the local community activity it has supported for more than 25 years, further details of which are at <https://www.bunnings.com.au/about-us/in-the-community>

Bunnings remain fully committed to the Portishead Homebase store. It is subject to a long Lease, with a current end date of September 2025.

Bunnings will be looking to include this store within its future investment programme and brand launch. Subject to the terms of its Lease, that investment could occur over the next 5 years. This investment will secure new employment. Those Homebase stores that have already been converted to the Bunnings brand have seen on average a 50% increase in staff numbers at those individual stores.

3. Matter 3 – Employment

Our client's principal objection relates to the need and justification for including the Homebase (Bunnings) store within the Old Mill Road Site mixed-use allocation.

HHGL's clear preference is to remain within their existing store (unit) on the Wyndham Way Retail Park (WWRP). This Retail Park is an established retail destination, it includes a store that meets Bunnings business requirements and forms part of a development that complements Portishead Town Centre (PTC).

The WWRP also forms part of the retail hierarchy of Portishead and meets a quantitative and qualitative need for large format retail units within Portishead. It is a relatively new retail park, with a high-quality design and layout. The existing units are modern and are not in need of refurbishment or redevelopment.

The WWRP is the only retail park serving Portishead and its loss would therefore remove the sole supply of large format retail units within the town, for which there remains significant demand. If the Retail Park was redeveloped and not replaced, customers would have to drive significant distances to access comparable facilities outside of Portishead at competing centres, resulting in greater car use, more CO2 emissions, added congestion and considerable leakage of local spending.

The WWRP also makes an important contribution to local employment. The existing Homebase store employs around 41, a mixture of full and part-time positions. That level of employment could increase by 50% following the conversion of the store to the Bunnings Warehouse format (brand).

None of these considerations are addressed in the draft Plan or appear to have been taken into consideration in promoting this 'new allocation'.

There is also absolutely no indication as to the implications of the proposed allocation for existing businesses, such as Bunnings.

In relation to Policies SA1 and SA2 and Schedule 1, the following criticisms apply:

- They lack any detail or reference of the quantum, layout and scale of development that will be sought within the mixed-use allocation
- They provide no indication of whether the existing quantum of retail floorspace that exists within the WWRP will be retained or re-provided
- They provide no indication as to whether the intention is for existing businesses, such as Bunnings (Homebase) to remain as existing or be redeveloped or relocated
- They do not identify any alternative sites that existing businesses could be relocated too and neither are there any other policies in the draft Plan that seek to allocate alternative retail sites
- They provide no detail or evidence of the viability of redeveloping the site or the mechanism for achieving any redevelopment

A letter to my clients, dated the 11th November 2016, from G L Hearn (acting for the owners Standard Life Investments (SLI)), similarly provided no clarity as to their intentions and in fact simply added to the lack of information that has emerged from the promotion of this 'new allocation'.

It remains very unclear as to what the intention behind this allocation are. The response of SLI to the publication of the draft Plan (ID reference 16123553//1, pages 323 – 330 (inclusive) of the Schedule of Comments Received), appears to be intentionally vague and suggests changes to Policies SA1 and SA2 and Schedule 1, which they argue would provide 'flexibility', but will, in fact, only add to the lack of detail and justification for this allocation.

Whilst National policy requires Plans to be deliverable, flexible and avoid being overly prescriptive, this allocation is the complete opposite in that the lack of detail and justification is such that it's impossible for businesses, such as our clients, to understand the full implications for their business and staff, to be able to plan for the future or to object to the allocation with any certainty.

Whilst our clients would support, for example, the reference to existing businesses being relocated or reincorporated within any redevelopment, that reference should be included in either Policy SA1 or SA3, to provide further weight and certainty. However, in terms of the option of relocating businesses, it is notable that the draft Plan is completely silent on where existing businesses, if displaced, could be relocated too.

SLI's response to the draft Plan seeks the deletion of the reference to 'relocation', as, in their view, it is not justified. The opposite is clearly the case, in that the relocation of businesses that cannot be incorporated within the redevelopment of the site would serve a planning purpose. It is an approach that would be consistent with national and local plan policies seeking to protect local jobs and promote employment. It would also be consistent with the corporate policies and objectives of the Council in seeking to maximise the contribution that businesses, on sites such as Old Mill Road, make to the local economy and the prosperity of the Town. That contribution is significant, a fact recognised by SLI in confirming their understanding that a number of the businesses on the site 'operate successfully' (GLH letter of the 11th November 2016 refers).

If the site is to be allocated in the draft Plan and mindful of the 'evidence base' that underpins this Plan, there is no reason as to why the Policies and/or Schedule cannot include more detail on the aspirations for the site, including specifically the quantum of development that the Plan would wish to see come forward in any redevelopment scheme and those businesses (sites) that are likely to remain as existing.

Changes sought to the Draft Plan:

- **In the absence of any justification and detail of the mixed-use proposals that may come forward that the site be deleted from Policy SA1 and Schedule 1**
- **In the event that the new allocation is retained that it be expanded to provide greater clarity and certainty as to the quantum of development (floorspace) that will be sought in any mixed-use scheme, those parts of the site that are likely to remain as existing and a firm commitment (enshrined in Policy rather than Schedule 1) to the relocation of existing business that cannot be accommodated within the redevelopment of the site**